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PART II—Section 2

Bills and Reports of Select Committees on Bills

HOUSE OF THE PEOPLE

The following Bills were introduced in the House of the People on 14th November, 1952:—

BILL No. 109 of 1952

A Bill to provide for the repeal of the Influx from Pakistan (Control) Act, 1949.

Be it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Influx from Pakistan (Control) Repealing Act, 1952.

2. Repeal of Act XXIII of 1949 and Ordinance VII of 1952.—The Influx from Pakistan (Control) Act, 1949, and the Influx from Pakistan (Control) Repealing Ordinance, 1952, are hereby repealed.

3. Savings.—(1) The repeal of the Influx from Pakistan (Control) Act, 1949 (XXIII of 1949), shall not affect the continuance in force, according to its tenor, of any permit which is intended to continue in force beyond the 15th day of October, 1952, and any person who commits a breach of any of the conditions of the permit or against whom a reasonable suspicion exists that he has committed such breach, may be prosecuted, punished or proceeded against under section 5 or section 7 of the Act hereby repealed as if the said section had continued in force.

(2) For the removal of doubts it is hereby declared that the provisions contained in sub-section (1) shall be without prejudice to the general application of section 6 of the General Clauses Act, 1897 (X of 1897).

STATEMENT OF OBJECTS AND REASONS

The admission into, and regulation of movements in, India of persons from Pakistan, has hitherto been regulated by a system of permits granted under the Influx from Pakistan (Control) Act, 1949 (XXIII of 1949). It was, however, agreed with the Government of Pakistan that

✓ with effect from a prescribed date, the permit system should be replaced by a system of passports. Accordingly, the Influx from Pakistan (Control) Repealing Ordinance, 1952 (VII of 1952), was promulgated to repeal the Influx from Pakistan (Control) Act, 1949. The repeal of the Act was effective from 15th October, 1952, and with effect from the same date traffic between the two countries is being regulated by a passport system.

2. This Bill seeks to convert the provisions of the Influx from Pakistan (Control) Repealing Ordinance, 1952 (VII of 1952) into an Act.

AJIT PRASAD JAIN.

NEW DELHI;
The 6th November, 1952.

BILL NO. 110 OF 1952

A Bill further to amend the Indian Lighthouse Act, 1927

Be it enacted by Parliament as follows:—

1. **Short title.**—This Act may be called the Indian Lighthouse (Amendment) Act, 1952.

2. **Amendment of section 1, Act XVII of 1927.**—In sub-section (2) of section 1 of the Indian Lighthouse Act, 1927 (hereinafter referred to as the principal Act) the words and letter 'except Part B States' shall be omitted.

3. **Amendment of section 10, Act XVII of 1927.**—In sub-section (1) of section 10 of the principal Act, for the words 'two annas' the words 'four annas' shall be substituted.

4. **Repeal.**—If immediately before the 21st day of January, 1950, there was in force in any Part B State any law corresponding to the principal Act, that law shall, with effect from that date, be deemed to have been repealed, except as respects things done or omitted to be done before that date.

STATEMENT OF OBJECTS AND REASONS

In order to raise funds for improvement and development of lighthouses, the maximum limit of two annas per ton at which light-dues are at present payable is being increased to four annas per ton.

The Indian Lighthouse Act, 1927, was extended to acceding States under section 4 of the Merchant Shipping Laws (Extension to Acceding States and Amendment) Act, 1949. Opportunity is, therefore, being taken to make a formal and consequential amendment in sub-section (2) of section 1 of the Act.

O. V. ALAGESAN.

NEW DELHI;
The 4th November, 1952.

The following Bills were introduced in the House of the People on 15th November, 1952:—

BILL* No. 114 OF 1952

A Bill further to amend the Rehabilitation Finance Administration Act, 1948.

BE it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Rehabilitation Finance Administration (Amendment) Act, 1952.

2. Amendment of section 11, Act XII of 1948.—For sub-section (1) of section 11 of the Rehabilitation Finance Administration Act, 1948 (hereinafter referred to as the principal Act), the following sub-section shall be substituted, namely:—

“(1) The Central Government may from time to time advance money to the Administration for its business, the aggregate amount of which,—

(a) for the purpose of enabling the Administration to advance loans, shall not, save as hereinafter provided, exceed twelve crores and fifty lakhs of rupees; and

(b) for the purpose of enabling the Administration to meet any liability which it may incur in guaranteeing losses in respect of loans advanced by scheduled banks, shall not exceed two crores of rupees:

Provided that the Central Government may, after such date as may be specified by it in this behalf, advance from time to time any sum of money, earmarked for the purpose specified in clause (b), for the purpose specified in clause (a), if that sum is not actually advanced for the purpose specified in clause (b) and is not, in the opinion of the Central Government, likely to be required for the purpose of such advance, and when any such advance is so made, the limit specified in clause (a) shall be increased accordingly.”

3. Substitution of new section for section 12, Act XII of 1948.—For section 12 of the principal Act, the following section shall be substituted, namely:—

“12. *Business of the Administration.*—The Administration may—

(a) subject to the provisions of section 13, advance loans;

(b) guarantee, on such terms and conditions as may be agreed upon, losses which a scheduled bank may suffer in respect of any loan advanced by it and approved by the Administration:

Provided that the total amount which may be guaranteed in respect of any scheduled bank and the terms and conditions on which such guarantee may be given shall be subject to the prior approval of the Central Government;

Provided further that the maximum liability of the Administration under such guarantee shall not exceed the amount for the time being available under clause (b) of sub-section (1) of section 11;

*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to the House of the People the consideration of the Bill.

(c) do all such acts and things as may be incidental to or consequential upon the performance of its functions under this Act including the running of the Administration ”

4. Amendment of section 13, Act XII of 1948.—In sub-section (4) of section 13 of the principal Act, for the word “ten” the word “fifteen” shall be substituted.

5. Substitution of new section for section 16 in Act XII of 1948.—For section 16 of the principal Act, the following section shall be substituted, namely:—

“16. *Accounts and audit.*—(1) The Administration shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Administration shall be audited annually by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Administration to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Administration shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of Government accounts and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Administration.

(4) The accounts of the Administration as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before both Houses of Parliament.”

STATEMENT OF OBJECTS AND REASONS

When the Rehabilitation Finance Administration (Amendment) Bill, 1950 came up for consideration, suggestions were made in the House that the existing provision of Rs. 3 crores under clauses (b) and (c) of section 12 for granting financial assistance through the medium of normal banking channels which had not been availed of by the Scheduled Banks should be transferred for the grant of direct loans by the Administration. The applications for loans still pending with the Administration further suggest that even if the total amount for direct loans by the Administration is thus raised to Rs. 10 crores, it will not be adequate for the purpose. The amending bill, therefore, seeks to increase this amount to Rs. 12.5 crores. It is also considered that though the re-discounting facilities under clause (b) of section 12 may be deleted as they are not likely to be availed of, some Scheduled Banks may now come forward to grant loans if full loss is guaranteed by the Administration under clause (c) of section 12. This clause is being amended accordingly and provision is being made to permit

of any portion of the Rs. 2 crores provided under the clause being transferred for the purpose of the grant of direct loans by the Administration. It has also been found that clause (a) of section 12 as at present worded does not permit the Administration to utilise moneys recovered from loans for the grant of fresh loans after the maximum limit prescribed therein has been reached. That clause has been amended to remove this anomaly. The Bill also seeks to achieve the following objects:—

(i) to diminish the hardship of loanees by extending the period of repayment of loans from 10 to 15 years.

(ii) to remove a lacuna in the Act regarding the powers of the Administration to meet the running cost out of the funds at its disposal; and

(iii) to entrust the audit of accounts of the Administration to the Comptroller and Auditor-General of India.

C. D. DESHMUKH.

NEW DELHI;

The 12th November, 1952.

Notes on clauses

Clause 2—The total fund to be placed at the disposal of the Administration is being raised from Rs. 10 crores to Rs. 14.5 crores. Out of this Rs. 12.5 crores will be available for the grant of loans to displaced persons and the balance for the reimbursement of losses to Scheduled Banks in respect of loans advanced by them to displaced persons which are guaranteed by the Administration. Any amount not utilised for the purpose of meeting the losses of Scheduled Banks is allowed to be transferred by Government for the purpose of grant of direct loans by the Administration. No provision is being made for re-discounting facilities to Scheduled Banks as the provision in this behalf contained in clause (b) of section 12 of the principal Act has not so far been availed of by any Bank.

Clause 3.—This section has been modified as follows:—

(1) The financial limits at present prescribed for granting direct loans by the Administration are omitted.

(2) It is now being provided that the Administration may guarantee the full loss which a Scheduled Bank may incur in advancing loans to displaced persons.

(3) A new clause (c) is added to enable the Administration to incur the cost of running the administration.

Clause 4.—It has been represented that the maximum period of 10 years for repayment of loans at present available is not adequate as it takes a displaced person considerable time to establish his business or industry. The maximum period of repayment is therefore being increased to 15 years.

Clause 5.—The Public Accounts Committee recommended that the Comptroller and Auditor-General of India should be empowered to conduct a test audit of the accounts of the Administration. As the Rehabilitation

Finance Administration is wholly financed by Government, it has been decided in consultation with the Comptroller and Auditor-General that he shall undertake full responsibility for the audit of the accounts of the Administration.

BILL No. 111 OF 1952

A Bill to amend the Telegraph Wires (Unlawful Possession) Act, 1950

Be it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Telegraph Wires (Unlawful Possession) Amendment Act, 1952.

2. Amendment of section 2, Act LXXIV of 1950.—For clause (b) of section 2 of the Telegraph Wires (Unlawful Possession) Act, 1950 (hereinafter referred to as the principal Act), the following clause shall be substituted, namely:—

(b) "telegraph wire" means any copper wire the gauge of which, as measured in terms of pounds per mile, is between 147 and 158, or between 196 and 204 or between 294 and 306.'

3. Insertion of new section 4A in Act LXXIV of 1950.—After section 4 of the principal Act, the following section shall be inserted, namely:—

"4A Prohibition of sale or purchase of telegraph wires.—No person shall, after the commencement of the Telegraph Wires (Unlawful Possession) Amendment Act, 1952, sell or purchase any quantity of telegraph wires except with the permission of such authority as may be prescribed."

4. Amendment of section 5, Act LXXIV of 1950.—In section 5 of the principal Act, the words "which the court has reason to believe to be, or to have been, the property of the Posts and Telegraphs Department of the Central Government" shall be omitted.

5. Amendment of section 6, Act LXXIV of 1950.—In section 6 of the principal Act, for the words and figure "fails to comply with the provisions of section 4" the words, figures and letter "contravenes the provisions of section 4 or section 4A" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Telegraph Wires (Unlawful Possession) Act, 1950 (LXXIV of 1950) was passed to deal with the serious situation caused by large scale thefts of telegraph wires in several parts of India, particularly in Bengal, Bihar, Orissa and Mysore. In order to bring the offenders to book in a court of law, section 5 of the Act placed on a person found in possession of copper wires of the specified gauges used in the Posts and Telegraphs Department, the onus of proving that such possession was lawful. Such a provision was found necessary due to the extreme difficulty in establishing the identity of the stolen property before a court of law. In interpreting this section, the courts have held in one or two instances that before the onus shifts to the accused to prove that he came into possession of the wires lawfully, the prosecution has to discharge the initial onus

of furnishing evidence on which the courts would have reason to believe that the wires were or had been the property of the Posts and Telegraphs Department. Such interpretation has rendered the Act largely ineffective.

2. The object of the present Bill is to amend section 5 of the Act so that the onus of proving that the copper wires were not the property of the Posts and Telegraphs Department will lie on the accused. The opportunity is also taken to amend the definition of the expression 'telegraph wires' and to prohibit future sale or purchase of telegraph wires, except with the permission of a prescribed authority.

NEW DELHI;

The 8th November, 1952.

JAGJIVAN RAM.

BILL NO. 112 OF 1952

A Bill to make special provision, in the interests of the general public and the Union, for the amalgamation of certain companies closely connected with each other in the manufacture and production of iron and steel, and for matters connected therewith or incidental thereto.

WHEREAS for the purpose of securing, in the interests of the general public and the Union, the efficient and economical expansion and working of the iron and steel industry in India, it is essential that the Steel Corporation of Bengal, Limited, and the Indian Iron and Steel Company, Limited, which are engaged in the manufacture and production of iron and steel, should be amalgamated;

AND WHEREAS to give effect to the scheme of the Central Government for the expansion of the iron and steel industry and to make available further resources for such expansion, it is necessary that the said companies should be amalgamated with as little delay as possible;

AND WHEREAS the amalgamation of the said companies is also in pursuance of successive recommendations made by the Tariff Board and the Tariff Commission;

BE it enacted by Parliament as follows:—

1. Short title and commencement.—(1) This Act may be called the Iron and Steel Companies Amalgamation Act, 1952.

(2) It shall be deemed to have come into force on the 29th day of October, 1952.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) "appointed day" means the 1st day of January, 1953;

(b) "the dissolved company" means the Steel Corporation of Bengal, Limited, formed and registered under the Indian Companies Act, 1913 (VII of 1913);

(c) "the Iron and Steel Company" means the Indian Iron and Steel Company, Limited, formed and registered under the Indian Companies Act, 1913 (VII of 1913);

(d) "prescribed" means prescribed by rules made under this Act.

3. Amalgamation of certain companies engaged in the iron and steel industry.—(1) As from the appointed day, the undertaking of the Steel Corporation of Bengal, Limited, shall be transferred to and shall vest in the Iron and Steel Company.

(2) The undertaking of the dissolved company shall be deemed to include all rights, powers, authorities and privileges and all property, movable or immovable, including cash balances, reserves, revenue balances, investments and all other interests and rights in or arising out of such property as may belong to, or be in the possession of, the dissolved company immediately before the appointed day, and all books, accounts and documents relating thereto, and shall also be deemed to include all debts, liabilities and obligations of whatever kind then existing of the dissolved company.

4. Special provision for the transfer of certain items of property.—For the purposes of this Act, all the profits of the dissolved company for the year 1952 and the revenue reserves of the dissolved company, when transferred to the Iron and Steel Company under the provisions of this Act, shall be deemed to be respectively the profits of the Iron and Steel Company for the said year and revenue reserves of the said company:

Provided that nothing in this section shall entitle a director or a managing agent of the Iron and Steel Company to any commission or other remuneration in respect of any profits so transferred.

5. Saving of contracts, etc., to which the dissolved company is a party.—Subject to the other provisions contained in this Act, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the dissolved company is a party, subsisting or having effect immediately before the appointed day, shall be of as full force and effect against or in favour of the Iron and Steel Company, as the case may be, and may be enforced as fully and effectually as if, instead of the dissolved company, the Iron and Steel Company had been a party thereto.

6. Saving of legal proceedings to which the dissolved company is a party.—If, on the appointed day, any suit, appeal or other legal proceeding of whatever nature by or against the dissolved company is pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer to the Iron and Steel Company of the undertaking of the dissolved company or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Iron and Steel Company, in the same manner and to the same extent as it would or may be continued, prosecuted and enforced by or against the dissolved company if this Act had not been passed.

7. Terms of transfer as respects shareholders in the dissolved company.—(1) As soon as may be after the appointed day, the Iron and Steel Company shall, subject to the rules, if any, made in this behalf, allot to every person registered as a shareholder in the dissolved company immediately before the appointed day,—

(a) if he is the holder of preference shares, as many preference shares in the Iron and Steel Company as are equivalent in number and value to the preference shares held by him in the dissolved company immediately before the appointed day, and

(b) if he is the holder of ordinary shares, four ordinary shares for rupees ten each in the Iron and Steel Company for every five ordinary shares for rupees ten each held by him in the dissolved company immediately before the appointed day, being the relative values of the two shares as determined by the Tariff Commission established under the Tariff Commission Act, 1951 (L of 1951).

(2) Notwithstanding anything contained in any other law for the time being in force, any report made by the Tariff Commission before the commencement of this Act respecting the value of ordinary shares in the Iron and Steel Company in relation to the value of ordinary shares in the dissolved company shall be deemed to have been validly made and shall not be called in question in any court.

(3) Every shareholder in the dissolved company to whom a preference share has been allotted under this section shall be entitled—

(i) to receive a fixed cumulative preferential dividend at the rate of five *per cent. per annum* as from the 1st day of January, 1953, on the capital for the time being paid up or credited as having been fully paid up thereon without deduction of Indian income-tax paid by the company;

(ii) subject to the provisions of clause (i), to rank for dividend equally with the holders of preference shares in the Iron and Steel Company immediately before the appointed day, and in priority to all other shareholders in that company;

(iii) to be repaid, in the winding up of the Iron and Steel Company, the amounts paid up or credited as having been fully paid up thereon, together with any arrears of dividends (whether earned or not), calculated to the date of repayment of capital, equally with the holders of preference shares in the Iron and Steel Company immediately before the appointed day, and in priority to all other shareholders in that company;

(iv) to exercise the same voting rights at general meetings of the Iron and Steel Company as are conferred on the holders of preference shares in that company immediately before the appointed day.

(4) The Iron and Steel Company shall cause a notice to be published in the Gazette of India and shall also send by post to every person whose name was entered immediately before the appointed day in the register of shareholders in the dissolved company, a notice giving particulars of the terms hereinbefore set out as to the allotment of new shares and the disposal in the prescribed manner of fractional shares and an allotment letter for the new shares which shall also contain a statement of the fractional shares (if any) to which a shareholder would be entitled if fractional shares are to be allotted.

(5) Every shareholder in the dissolved company whose name appears in the register of the dissolved company immediately before the appointed day shall be entitled, on presentation within the prescribed period of the allotment letter and the share certificate in respect of the shares held by him in the dissolved company, to receive in due course share certificates of the Iron and Steel Company in accordance with the provisions of this Act and the rules made thereunder.

(6) Any rights specified in sub-section (5) shall, during the period beginning with the appointed day and ending with the day on which the Iron and Steel Company issues fresh share certificates to the shareholders of the dissolved company, be transferable in like manner as the shares in the Iron and Steel Company themselves are transferable, and the transferees of such rights shall be entitled, upon submission of the letter of allotment, the relative share certificate in the dissolved Company and the document of transfer, to share certificates in the same manner and to the same extent as the transferors would have been entitled.

8. Priority as between secured creditors of the dissolved company and secured creditors of the Iron and Steel Company.—Creditors of the dissolved company whose debts are secured by a mortgage, charge or lien on the property of the dissolved company or any part thereof shall, with reference to similar secured creditors of the Iron and Steel Company, have such priority in the repayment of the debts as may be determined by agreement between the Iron and Steel Company and the secured creditors of the dissolved company:

Provided that in the absence of any such agreement the matter shall be referred by the Iron and Steel Company to the determination of such person as may be appointed by the Central Government in this behalf, and the decision of such person shall be final and binding on the Iron and Steel Company and the secured creditors concerned.

9. Provisions with respect to taxation.—(1) The Iron and Steel Company shall be taxable in respect of the profits and gains of the business carried on by the dissolved company before the appointed day to the same extent as the dissolved company would have been taxable if this Act had not been passed, and the Iron and Steel Company shall, in its assessment, be entitled to claim all such allowances under sub-section (2) of section 10 of the Indian Income-tax Act, 1922 (XI of 1922) as the dissolved company could have claimed in its assessment if this Act had not been passed.

(2) For the purposes of any law relating to taxation on income, the original cost to the Iron and Steel Company of the buildings, machinery, plant or furniture of the dissolved company transferred to it by virtue of this Act shall be deemed to be the written down value thereof, as reduced by the initial depreciation permitted by sub-section (2) of section 10 of the Indian Income-Tax Act, 1922 (XI of 1922), which has been or could have been computed by the dissolved company on the appointed day if this Act had not been passed.

10. Payment of *interim* dividends to shareholders in the dissolved company.—If the profits of the dissolved company warrant such a course, the directors of the dissolved company may, at any time before the appointed day, declare the following dividends as being payable—

(a) to the holders of preference shares immediately before the appointed day, a dividend at the rate of five per cent. per annum on the amount paid up without deduction of Indian income-tax payable by the dissolved company for the period commencing on the 1st day of June, 1952, and ending with the 31st day of December, 1952;

(b) to the holders of ordinary shares whose names appear on the register of the company on the date of such payment, an *interim* dividend not exceeding two and a half per cent. on the amount paid

up or credited as having been fully paid up thereon without deduction of Indian income-tax payable by the dissolved company for the period commencing on the 1st day of January, 1952, and ending with the 31st day of December, 1952.

11. Provisions respecting existing officers and other servants of the dissolved company.—Every officer or other servant (including within that expression auditors but excluding therefrom directors, managing agents and London Committee Members) employed immediately before the appointed day in the dissolved company shall, as from the appointed day, become an officer or other servant, as the case may be, of the Iron and Steel Company and shall hold his office or service therein by the same tenure and upon the same terms and conditions and with the same rights and privileges as to pension or gratuity as he would have held the same under the dissolved company if this Act had not been passed, and shall continue to do so unless and until he is duly removed from his employment in the Iron and Steel Company or until his terms and conditions of employment are duly altered by that Company.

12. Position of directors of the dissolved company.—Every director of the dissolved company holding office as such immediately before the appointed day shall become, as from the appointed day, a director of the Iron and Steel Company, in addition to the other directors of the Iron and Steel Company holding office as such before the appointed day, and shall, subject to the provisions of the articles of association of the Iron and Steel Company, hold his office and act in all respects as if he had been duly appointed under the said articles.

13. Dissolution of the Steel Corporation of Bengal, Limited.—As from the appointed day—

(a) the Steel Corporation of Bengal, Limited, shall be dissolved and thereafter no person shall make, assert or take any claims, demands or proceedings against the dissolved company or against a director or officer thereof in his capacity as such director or officer, except in so far as may be necessary, for enforcing the provisions of this Act;

(b) the right of every shareholder to or in respect of any share in the dissolved company shall be extinguished, and thereafter no such shareholder shall make, assert or take any claims or demands or proceedings in respect of any such share except as provided in this Act.

14. Power to make rules for facilitating amalgamation.—The Central Government may, by notification in the Official Gazette, make such incidental, consequential or supplementary provisions as in its opinion are necessary for fully and effectually carrying out the purposes of this Act, and without prejudice to the generality of such power, provision may be made in such rules—

(a) for the allotting or appropriation by the Iron and Steel Company of any shares, debentures, policies or other like interests in that company which are to be allotted or appropriated under this Act by that company to or from any person;

(b) for the disposal of shares in the dissolved company which do not represent one fully paid up share in the Iron and Steel Company

under clause (b) of sub-section (1) of section 7, whether by the surrender to the Iron and Steel Company of the fractional certificates relating thereto with other fractional certificates so as to represent in all one fully paid up share, or, at the option of the shareholder, by the surrender of the fractional certificates to the Iron and Steel Company for sale by the company on his account;

(c) for fixing the period within which any action required to be taken under this Act may be taken;

(d) for the alteration, notwithstanding anything to the contrary contained in the Indian Companies Act, 1913 (VII of 1913), of the memorandum or articles of association of the Iron and Steel Company for the purpose of increasing the capital of the company or the borrowing powers of the directors thereof or for the purpose of securing the representation of the Central Government on the Board of Directors of the company or for any other purpose;

(e) for requiring any person concerned with the keeping of the register of the holders of any shares, securities or investments now transferred to and vesting in the Iron and Steel Company to forthwith register the name of the Iron and Steel Company therein, and to issue to the Iron and Steel Company the appropriate documents of title relating to the shares, securities or investments transferred to and vesting in it.

15. Repeal of Ordinance VIII of 1952.—The Iron and Steel Companies Amalgamation Ordinance, 1952 (VIII of 1952), is hereby repealed.

STATEMENT OF OBJECTS AND REASONS

The Tariff Board and the Tariff Commission recommended on successive occasions that in the larger interests of the steel industry in India, the Indian Iron and Steel Co., Ltd. should be amalgamated with the Steel Corporation of Bengal, Ltd. as such amalgamation would eliminate duplication and waste and ultimately tend to reduce costs of production. In view of the serious shortage of steel in India for essential nation-building activities, it has also become imperative that the schemes approved by Government for the expansion of the steel production capacity of these Companies should be given effect to without further delay and that necessary financial and other resources should be made available to them. Effective action in this behalf is possible only after the amalgamation of the Companies. In view of the urgency of the matter, and the desirability of avoiding any speculation in the market, it was decided that an Ordinance should be promulgated for securing this amalgamation. The Government of India accordingly promulgated the Iron and Steel Companies Amalgamation Ordinance, 1952, on the 29th October 1952.

The present Bill is intended to replace the Ordinance.

T. T. KRISHNAMACHARI.

NEW DELHI;

The 6th November, 1952.

BILL NO. 118 OF 1952

A Bill to make provision for the proper administration of the Durgah and the Endowment of the Durgah of Khawaja Moin-ud-din Chishti, generally known as Durgah Khawaja Saheb, Ajmer.

BE it enacted by Parliament as follows:—

1. Short title and commencement.—(1) This Act may be called the Durgah Khawaja Saheb Act, 1952.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) "Chief Commissioner" means the Chief Commissioner of Ajmer, acting in his individual capacity;

(b) "Committee" means the Committee constituted under section 4;

(c) "Durgah" means the institution known as the Durgah Khawaja Saheb, Ajmer, and includes the premises called the Durgah Sharif with all buildings contained therein, together with all additions thereto or all alterations thereof which may hereafter be made from time to time;

(d) "Durgah Endowment" includes—

(i) the Durgah Khawaja Saheb, Ajmer;

(ii) all buildings and movable property within the boundaries of the Durgah Sharif;

(iii) Durgah Jagir, including all land, houses and shops and all immovable property wherever situated belonging to the Durgah Sharif;

(iv) all other property and all income derived from any source whatsoever dedicated to the Durgah or placed for any religious, pious or charitable purposes under the Durgah Administration, including the Jagirdari villages of Hokran and Kishanpur in Ajmer; and

(v) all such nazars or offerings as are received on behalf of the Durgah by the Nazim or any person authorised by him;

(e) "Nazim" means the Nazim appointed under section 9.

3. Act to override Act XX of 1863.—This Act shall have effect notwithstanding anything inconsistent therewith contained in the Religious Endowments Act, 1863 (XX of 1863).

4. The Committee.—(1) The administration, control and management of the Durgah Endowment shall be vested in a Committee constituted in the manner hereinafter provided

(2) The Committee shall, by the name of "The Durgah Committee, Ajmer", be a body corporate and shall have perpetual succession and a common seal and shall by the said name sue and be sued through its President.

5. Composition of Committee.—The Committee shall consist of not less than five and not more than seven members all of whom shall be Hanafi Muslims and shall be appointed by the Central Government.

6. Term of office and resignation and removal of members and casual vacancies.—(1) A member of the Committee shall hold office for a period of five years from the date of his appointment but may resign his office earlier by giving notice in writing thereof to the Central Government and shall cease to be a member on the resignation being accepted by that Government.

(2) The Central Government may remove from office any member of the Committee—

(a) who is of unsound mind and stands so declared by a competent court, or

(b) who has applied for being adjudged an insolvent, or is an undischarged insolvent, or

(c) who has been convicted of any offence involving moral turpitude, or

(d) who has absented himself for a period of twelve consecutive months from the meetings of the Committee, or

(e) whose presence on the Committee would, in the opinion of the Central Government, be prejudicial to the interests of the Durgah.

(3) Casual vacancies among members of the Committee shall be filled by appointment made by the Central Government in consultation with the remaining members of the Committee.

(4) The term of office of a member appointed to fill a casual vacancy shall be for so long only as the member whose place has been filled would have been entitled to hold office if the vacancy had not occurred.

7. President and Vice-President.—(1) The Committee shall elect a President and a Vice-President from among its members.

(2) When the office of the President is vacant or in the absence of the President from any meeting, the Vice-President shall perform the functions of the President.

(3) In the absence of the President and Vice-President, a meeting of the Committee may be presided over by a member elected by the majority of the members present at the meeting.

8. Supersession of the Committee.—If in the opinion of the Central Government the Committee is guilty of gross mismanagement of the affairs of the Durgah or of neglect in the performance of its functions, the Central Government may supersede the Committee and entrust any person with full powers of the Committee until a new Committee is constituted in accordance with the provisions of this Act.

9. Power of Central Government to appoint Nazim.—(1) The Central Government may appoint a person to be the Nazim of the Durgah and the Nazim shall by virtue of his office be the Secretary of the Committee as well as a member thereof.

(2) The Nazim shall be paid such salary and allowances, as the Central Government may fix, out of the revenues of the Durgah Endowment.

(3) The Committee shall exercise its powers of administration, control and management of the Durgah Endowment through the Nazim.

10. Advisory Committee to advise Nazim.—For the purpose of advising the Nazim in the discharge of his functions under this Act and also for such other purposes as may be specified in any bye-laws of the Committee, the Central Government may, in consultation with the Chief Commissioner, constitute an Advisory Committee consisting of such number of persons, being Hanafi Muslims, not exceeding seven, as the Central Government may think fit, such persons being chosen from among the residents of the State of Ajmer or any of the neighbouring States.

11. Powers and duties of the Committee.—The powers and duties of the Committee shall be—

- (a) to administer, control and manage the Durgah Endowment;
- (b) to keep the buildings within the boundaries of the Durgah Sharif and all buildings, houses and shops comprised in the Durgah Endowment in proper order and in a state of good repair;
- (c) to receive all moneys and other income of the Durgah Endowment;
- (d) to see that the Endowment funds are spent in the manner desired by the donors;
- (e) to pay salaries, allowances and perquisites and make all other payments due out of, or charged on, the revenues or income of the Durgah Endowment;
- (f) to determine the privileges of the Khadims and to regulate their presence in the Durgah by the grant to them of licences in that behalf, if the Committee thinks it necessary so to do;
- (g) to define the powers and duties of the Advisory body;
- (h) to determine the functions and powers, if any, which the Sajjadanashin may exercise in relation to the Durgah;
- (i) to appoint, suspend or dismiss servants of the Durgah Endowment;
- (j) to make such provision for the education and maintenance of the indigent Khadims and their families residing in India as the Committee considers expedient consistently with the financial position of the Durgah;
- (k) to delegate to the Nazim such powers and functions as the Committee may think fit;
- (l) to do all other such things as may be incidental or conducive to the efficient administration of the Durgah.

12. Remuneration of the Sajjadanashin.—There shall be paid to the person for the time being holding the office of the Sajjadanashin remuneration at the rate of rupees two hundred per mensem out of the revenues of the Durgah Endowment.

13. Succession to the office of Sajjadanashin.—(1) When the office of the Sajjadanashin falls vacant and there is no dispute regarding succession to that office, the Committee shall, with the approval of the Chief Commissioner, pass an order according recognition as Sajjadanashin to the person succeeding to that office.

(2) When the office of the Sajjadanashin falls vacant and there is a dispute regarding succession to that office, the Committee shall, after consultation with the Chief Commissioner, refer the dispute to the Judicial Commissioner of Ajmer for decision and the Judicial Commissioner, after taking such evidence as he considers necessary and after giving an opportunity to the parties concerned to be heard in the matter shall communicate his decision on the dispute to the Committee.

(3) The Committee, on the receipt of the decision, shall, with the previous approval of the Chief Commissioner, pass an order in accordance with the aforesaid decision of the Judicial Commissioner declaring the person found entitled to succeed to the office of the Sajjadanashin and according recognition as Sajjadanashin to such person.

(4) An order passed by the Committee under sub-section (1) or sub-section (3) shall be final and shall not be questioned in any court.

(5) During the pendency of the dispute referred to in sub-section (2), the Committee shall, with the previous approval of the Chief Commissioner, make such interim arrangements for the performance of the functions of the Sajjadanashin as it may think fit.

14. Power to solicit or receive offerings on behalf of the Durgah.—It shall be lawful for the Nazim or any person authorised by him in this behalf to solicit and receive on behalf of the Durgah any nazars or offerings from any person, and notwithstanding anything contained in any rule of law or decision to the contrary, no person other than the Nazim or any person authorised by him in this behalf shall receive or be entitled to receive nazars or offerings on behalf of the Durgah.

15. Committee to observe Muslim Law and tenets of the Chishti Saint.—Save as otherwise provided under any enactment for the time being in force, the Committee shall, in exercise of its powers and the discharge of its duties, follow the rules of Muslim Law applicable to Hanafi Muslims in India, and shall conduct and regulate the established rites and ceremonies in accordance with the tenets of the Chishti Saints.

16. Board of Arbitration.—(1) If any dispute arises between the Committee on the one part and the Sajjadanashin, any Khadim, and any person claiming to be the servant of the Durgah under some hereditary right or under some contract of employment or any one or more of them on the other part and such dispute does not, in the opinion of the Committee, relate to any religious usage or custom or to the performance of any religious office, it shall, at the request of either party to the dispute, be referred to a Board of Arbitration consisting of—

- (i) a nominee of the Committee;
- (ii) a nominee of the other party to the dispute; and
- (iii) a person who holds or has held the office of, or is acting or has acted as, a district judge, to be appointed by the Central Government,

and the award of the Board shall be final and shall not be questioned in any court.

(2) No suit shall lie in any court in respect of any matter which is required by sub-section (1) to be referred to a Board of Arbitration.

17. Defect in the constitution of, or vacancy in, the Committee not to invalidate acts and proceedings.—No act or proceeding of the Committee shall be invalidated merely by reason of the existence of a vacancy among its members or a defect in the constitution thereof.

18. Enforcement of final orders of Committee.—Where in the exercise of its powers and performance of its duties the Committee passes any final order against any person directing him to do, or to abstain from doing, something, the person against whom the order is directed shall be bound to comply with the order and in case of non-compliance with such order any civil court within the local limits of whose jurisdiction the person against whom the order has been passed, resides or carries on business may execute the order in the same manner and by the same procedure as if it were a decree or order passed by itself in a suit.

19. Audit of accounts and annual report.—(1) The accounts of the Durgah shall be audited every year by such persons and in such manner as the Central Government may direct.

(2) The Committee shall every year prepare a report on the administration of the Durgah, which, together with the accounts of the Durgah and the report of the auditor thereon, shall be published in the Official Gazette.

20. Bye-laws.—(1) The Committee may make bye-laws to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such bye-laws may provide for—

(a) the division of duties among the President and the members of the Committee;

(b) the time and place of, the quorum for, and procedure and conduct of business at, the meetings of the Committee;

(c) the security, if any, to be taken from the employees of the Committee;

(d) the books and accounts to be kept at the office of the Committee;

(e) the custody and investment of the property and the funds of the Durgah;

(f) the details to be included in or excluded from the budget of the Durgah;

(g) the persons by whom receipts may be granted for money paid to the Committee;

(h) the maintenance of peace and order within the Durgah compound;

(i) the duties and powers of the employees of the Durgah;

(j) the powers and functions of the Advisory Committee and the matters in which the advice of the Advisory Committee may be sought by the Naskh;

(k) the manner of entering into contracts by or on behalf of the Committee.

(3) Any power to make bye-laws conferred by this section is conferred subject to the condition of the bye-laws being first published in draft for objections by being hung up on the premises of the Durgah and of their not taking effect until they have been approved and confirmed by the Central Government and published in the Official Gazette.

(4) The Central Government in approving and confirming a bye-law may make any change therein which appears to be necessary.

(5) The Central Government may, after previous publication of its intention, cancel any bye-law which it has approved and confirmed, and thereupon the bye-law shall cease to have effect.

21. Transitional Provisions.—The person holding the office of Sajjadanashin immediately before the commencement of this Act shall on such commencement continue to hold the said office subject to the other provisions of this Act.

22. Repeal.—The Durgah Khawaja Saheb Act, 1936 (XXIII of 1936) and the Durgah Khawaja Saheb (Emergency Provisions) Act, 1950 (XVII of 1950) are hereby repealed.

STATEMENT OF OBJECTS AND REASONS

In 1949, the Government of India appointed a Committee, under the Chairmanship of Mr. Justice Ghulam Hassan, then a Judge of the Allahabad High Court, to report on the affairs of the Durgah Khawaja Saheb, Ajmer, and to make recommendations for its efficient management in the interests of the devotees. The present Bill seeks to implement the decisions of Government on the recommendations of the Committee. The principal provisions are as follows:—

(i) The administration, control and management of the Durgah are to vest in a High Power Committee consisting of representative Muslims to be appointed by the Central Government.

(ii) A paid Nazim is to be appointed a Member-Secretary of the Committee and to administer the Durgah.

(iii) An Advisory Committee is to be set up to advise the Nazim in the discharge of his functions.

(iv) The remuneration of the Sajjadanashin and the manner of determining succession to that office are laid down.

(v) The soliciting or receiving of offerings on behalf of the Durgah is to be prohibited except through the Nazim or a person authorised by him.

(vi) A Board of Arbitration is to be set up to settle disputes not relating to any religious usage or custom or to the performance of any religious office.

K N KATJU.

NEW DELHI;

The 10th November, 1952.

BILL* No. 115 OF 1952

A Bill to amend the Court-fees Act, 1870, in its application to the State of Manipur, for the purpose of giving effect in that State to certain amendments made in that Act by Assam Act VIII of 1950, and to validate the levy of court-fees in certain cases.

Be it enacted by Parliament as follows:—

1. Short title and extent.—(1) This Act may be called the Manipur Court-fees (Amendment and Validation) Act, 1952.

(2) It extends to the whole of the State of Manipur.

2. Court-fees Act, 1870, to be in force in Manipur, as amended by Assam Act VIII of 1950.—On and from the commencement of this Act, the Court-fees Act, 1870 (VII of 1870), in its application to the State of Manipur, shall have effect as if it had been amended in the manner specified in sections 2 to 16 inclusive of, and the Schedule to, the Assam Court-fees (Amendment) Act, 1950 (Assam Act VIII of 1950).

3. Validation of levy of court-fees in certain cases.—Any court-fees levied in the State of Manipur during the period commencing on the 16th day of April, 1950, and ending with the date of commencement of this Act, which would have been validly levied if the amendments made to the Court-fees Act, 1870 (VII of 1870), by this Act were in force on the date of such levy, shall be deemed to have been validly levied.

STATEMENT OF OBJECTS AND REASONS

The Indian Court-fees Act, 1870, is one of the many Central Acts which were extended on the 16th day of April, 1950, to Manipur by the Part C States (Laws) Act, 1950, but as Manipur follows the neighbouring State of Assam in many administrative matters, court-fees were and are being actually levied in Manipur under the Court-fees Act, 1870, as amended in Assam by Assam Act VIII of 1950. In the circumstances, it is necessary and desirable that the Assam amendments should be formally made applicable to Manipur, and the levy of court-fees at the enhanced rates hitherto expressly saved. It is not possible to extend the Assam law to Manipur by a notification under the Part C States (Laws) Act, 1950, as that would virtually have the effect of repealing *pro tanto* a Central law. Hence the present Bill.

K. N. KATJU.

NEW DELHI;

The 8th November, 1952.

*The President has, in pursuance of clause (1) of article 117 of the Constitution of India, recommended to the House of the People the introduction of the Bill.

The following Bill was introduced in the House of the People on 18th November, 1952:—

BILL No. 116 of 1952

A Bill further to amend the Press and Registration of Books Act, 1867.

Be it enacted by Parliament as follows:—

1. Short title.—This Act may be called the Press and Registration of Books (Amendment) Act, 1952.

2. Amendment of long title and preamble, Act XXV of 1867.—In the long title of, and the preamble to, the Press and Registration of Books Act, 1867 (hereinafter referred to as the principal Act) for the word "newspapers", the words "printed papers" shall be substituted.

3. Amendment of section 1, Act XXV of 1867.—In section 1 of the principal Act,—

(a) in the definition of 'book', the words 'or lithographed' shall be omitted;

(b) after the definition of 'newspaper', the following definitions shall be inserted, namely:—

'"paper"' includes every document printed other than a book;
'"printing"' includes cyclostyling and printing by lithography..

4. Amendment of section 4, Act XXV of 1867.—Section 4 of the principal Act shall be renumbered as sub-section (1) of that section and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

"(2) As often as the place where a press is kept is changed a new declaration shall be necessary:

Provided that where the change is for a period not exceeding sixty days and the place where the press is kept after the change is within the local jurisdiction of the magistrate referred to in sub-section (1), no new declaration shall be necessary if—

(a) a statement relating to the change is furnished to the said magistrate within twenty-four hours thereof; and

(b) the keeper of the press continues to be the same.".

5. Amendment of section 5, Act XXV of 1867.—In section 5 of the principal Act—

(1) in the declaration contained in rule (2), for the words "and printed or published, or printed and published", the words "and to be printed or published or to be printed and published" shall be substituted;

(2) to rule (3), the following proviso shall be added, namely:—

"Provided that where the change is for a period not exceeding thirty days and the place of printing or publication after the

change is within the local jurisdiction of the magistrate referred to in rule (2) no new declaration shall be necessary if—

(a) a statement relating to the change is furnished to the said magistrate within twenty-four hours thereof, and

(b) the printer or publisher or the printer and publisher of the newspaper continues to be the same.';

(3) in rule (4), for the words "shall leave India", the words "shall leave India for a period exceeding thirty days" shall be substituted;

(4) after rule (4) and before the proviso to section 5, the following rules shall be inserted, namely:—

"(5) Where a newspaper does not commence publication within three months of the declaration made in respect thereof, the declaration shall be void, and a new declaration shall be necessary before the newspaper can be published.

(6) Where a newspaper has ceased publication for a period exceeding twelve months, every declaration made in respect thereof shall be void, and a new declaration shall be necessary before the newspaper can be republished.

(7) Every existing declaration in respect of a newspaper shall be cancelled before a new declaration is made and subscribed in respect of the same."

6. Amendment of section 9, Act XXV of 1867.—In section 9 of the principal Act, the words "or lithographed" wherever they occur shall be omitted.

7. Amendment of section 13, Act XXV of 1867.—In section 13 of the principal Act, for the words "without making such a declaration as is required by section 4 of this Act", the words "in contravention of any of the provisions contained in section 4 of this Act" shall be substituted.

8. Amendment of section 14, Act XXV of 1867.—In section 14 of the principal Act, for the words "any declaration" the words "any declaration or other statement" shall be substituted.

9. Amendment of section 18, Act XXV of 1867.—In section 18 of the principal Act, in item (12) of the particulars, for the words "or lithographed", the words "cyclostyled or lithographed" shall be substituted.

10. Insertion of new section 22 in Act XXV of 1867.—After section 21 of the principal Act, the following section shall be inserted, namely:—

"22. *Extent.*—This Act extends to the whole of India except the State of Jammu and Kashmir."

STATEMENT OF OBJECTS AND REASONS

The object of this amending Bill is to amend the Press and Registration of Books Act, 1867, on the basis partly of the recommendations made by the Press Laws Enquiry Committee which had been set up by the Government of India and partly on the basis of the recommendations made by

State Governments who have experienced difficulties in the working of the Act. The main amendments are as follows:—

(i) Temporary changes in the place of printing or publication may merely be notified to the magistrate within 24 hours and if this is done no fresh declaration is necessary so long as the keeper of the press or the publisher continues to be the same.

(ii) A declaration which is not followed by publication of a newspaper within three months becomes void.

(iii) When a newspaper ceases publication for a period of twelve months or more the declaration becomes void.

(iv) The Act applies to all printed, cyclostyled, or lithographed matter including posters.

NEW DELHI;

K. N. KATJU.

The 9th November, 1952.

M. N. KAUI,
Secretary.